



Metro

November 3, 2017

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP WASHINGTON *PAW*
CHIEF EXECUTIVE OFFICER

FROM: DIANA ESTRADA *DE*
CHIEF AUDITOR

**SUBJECT: STATUS OF AUDIT RECOMMENDATIONS AS OF
SEPTEMBER 30, 2017**

ISSUE

At the March 2005 Executive Management and Audit Committee meeting, the committee requested that the status of all open audit recommendations be reported to them. The report includes audits performed by Management Audit, Office of the Inspector General and audits performed by outside auditors.

DISCUSSION

In this report Management Audit fulfills the request to report the corrective actions for all open audit recommendations related to findings for Metro Operations, Planning and Development, Communications, Information Technology, Finance and Budget, Program Management, Human Capital & Development, Congestion Reduction, Systems, Safety and Law Enforcement, and other funded agencies.

During the first quarter of FY18, 21 recommendations from previous audits were closed. At the end of the quarter, there were 37 outstanding audit recommendations. Details of all open recommendations as of September 30, 2017 are included in Attachment A.

In addition to the above MAS and external audit recommendations, we closed 89 recommendations made by the Office of the Inspector General (OIG). At the end of the quarter, there were 42¹ outstanding OIG audit recommendations. Details of OIG open recommendations as of September 30, 2017 are included in Attachment B.

We are actively working with staff to close each recommendation as quickly as possible. Any findings that have not been corrected 90 days after the due date are reported as late.

¹ This total does not include recommendations included in the Audit of Westside Purple Line Extension Section 2-Modification No. 52, and Review of Metro Safety Culture and Rail Operational Safety, as the management response and/or estimated completion dates are still pending. However, Operations has hired consultants to assist in addressing the most critical elements of the Review of Metro Safety Culture and Rail Operational Safety.

Table 1
Summary of MAS and External Audit Recommendations
as of September 30, 2017

Executive Area	Closed	Open Recommendations			
		Late	Extended	Not Yet Due/Under Review	Total Open
Program Management	1				
Vendor Contract Management	1				
Finance and Budget					
Information Technology	1			3	3
Metro Operations	12		17	1	18
Planning and Development	1		4		4
Communications			7		7
Systems Security & Law Enforcement					
Risk Management	5		5		5
Totals	21		33	4	37

Table 2
Summary of OIG Audit Recommendations
as of September 30, 2017

Executive Area	Closed	Open Recommendations			
		Late	Extended	Not Yet Due/Under Review	Total Open
Labor/Employee Relations	3		3		3
Finance and Budget	1				
Systems, Security & Law Enforcement			1		1
Metro Operations	9				
Vendor/Contract Management	5				
Program Management	71			38	38
Totals	89		4	38	42¹

NEXT STEPS

Management Audit Services will provide the next quarterly status report for the period ending December 31, 2017.

ATTACHMENT(S)

- A. MAS Open Audit Recommendations Report
 OIG Open Audit Recommendations Report

1. This total does not include recommendations included in the Audit of Westside Purple Line Extension Section 2-Modification No. 52, and Review of Metro Safety Culture and Rail Operational Safety, as the management response and/or estimated completion dates are still pending. However, Operations has hired consultants to assist in addressing the most critical elements of the Review of Metro Safety Culture and Rail Operational Safety.

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
1	11-OPS-006	10/25/2013	MAS	HASTUS	Operations	5	We recommend the Chief Operations Officer consider utilizing more of HASTUS' Minibus module features by: Looking for opportunities to interline routes as a strategy for achieving a more cost effective solution. Update: Upgrade of the HASTUS system to 2015 version is completed. Work on Minibus Module is in progress.	Ineffective use of Minibus optimization module in creating vehicle schedules: Scheduling will look for additional interlining opportunities that are "streetable".	6/30/2016	12/31/2017
2	11-OPS-006	10/25/2013	MAS	HASTUS	Operations	6	We recommend the Chief Operations Officer consider utilizing more of HASTUS' Minibus module features by: Developing a more robust, realistic deadhead matrix and use the matrix during the vehicle blocking process to globally optimize its bus system schedules. Update: Upgrade of the HASTUS system to 2015 version is completed. Work on Minibus Module is in progress.	Ineffective use of Minibus optimization module in creating vehicle schedules: Scheduling will review and update the deadhead matrix to support new and existing interlining solutions.	6/30/2016	12/31/2017
3	11-OPS-006	10/25/2013	MAS	HASTUS	Operations	11	We recommend the Chief Operations Officer: Consider multi-division operator run cutting to optimize workforce distribution amongst divisions. Update: Upgrade of the HASTUS system to 2015 version is completed. Work on Minibus Module is in progress.	Ineffective use of CrewOpt optimization module in creating crew schedules: Scheduling will require Giro to perform additional training on new rules for multi-division operator run cutting in Hastus.	6/30/2016	12/31/2017
4	11-OPS-006	10/25/2013	MAS	HASTUS	Operations	12	We recommend the Chief Operations Officer: Adopt integrated scheduling to improve the efficiency of run cuts. Update: Upgrade of the HASTUS system to 2015 version is completed. Service Planning & Scheduling department is waiting for Giro to fine tune the CrewOpt module and train staff.	Ineffective use of CrewOpt optimization module in creating crew schedules: Scheduling will adopt integrated scheduling to improve run cut efficiency.	6/30/2016	12/31/2017
5	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	14	We recommend the Communications Department update the B-TAP Program Policy and/or Agreement terms so that the language on these two documents are consistent with the intended pricing level for B-TAP customers. Update: The B-TAP program is under review by OMB and TAP operations.	Inconsistency between B-TAP Customer Agreement and B-TAP Policy. Metro Commute Services (MCS) agrees. All reduced fare programs are currently under review with the Office of the CEO, DEO of Finance and OMB. The findings from the review/evaluation will determine the policies, procedures and pricing model that will govern the B-TAP program March 31, 2017. We will update our policy and agreement terms to ensure consistency between these two documents and will complete the update in accordance with the new model by March 31, 2017.	3/31/2017	12/31/2017
6	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	20	We recommend the Communications Department to report the program performance periodically to the appropriate level of management to support decision making. Update: Pending completion of MOU which is currently being reviewed by County Counsel.	Lack of program ownership and oversight for Juror TAP (J-TAP) Program. Metro Commute Services (MCS) agrees. MCS will work directly with TAP Operations to implement cross-functional responsibilities between the two departments. An updated MOU may be necessary and if so, once will be written or the current one will be updated by March 31, 2017.	3/31/2017	12/31/2017

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
7	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	21	We recommend the Communications Department to renew the agreement with the Court to confirm mutual agreement. Update: Pending completion of MOU which is currently being reviewed by County Counsel.	Lack of program ownership and oversight for Juror TAP (J-TAP) Program. Metro Commute Services (MCS) agrees. MCS will work directly with TAP Operations to implement cross-functional responsibilities between the two departments. An updated MOU may be necessary and if so, once will be written or the current one will be updated by March 31, 2017.	3/31/2017	12/31/2017
8	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	22	We recommend the Communications Department to revisit the program purpose and guidelines/requirements to assess the current J-TAP Program performance. Update: Pending completion of MOU which is currently being reviewed by County Counsel.	Lack of program ownership and oversight for Juror TAP (J-TAP) Program. Metro Commute Services (MCS) agrees. MCS will work directly with TAP Operations to implement cross-functional responsibilities between the two departments. An updated MOU may be necessary and if so, once will be written or the current one will be updated by March 31, 2017.	3/31/2017	12/31/2017
9	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	23	We recommend the Communications Department obtain a written agreement with DCFS to confirm the mutual agreement and to retain the legal rights to enforce DCFS to meet the Program guidelines and requirements. Update: Pending completion of MOU which is currently being reviewed by County Counsel.	Lack of written agreement for Youth on the Move Program (YOTM for foster youth). Metro Commute Services (MCS) agrees. Although there are Board documentations and writings that assist in governing the YOTM program, the implementation of an MOU will be explored and constructed. MCS periodically produces an active card list and forwards it to the DCFS YOTM program manager for review. We will work with the manager at Department of Children and Family Services (DCFS) to determine a preset calendar schedule. All findings will be shared with the appropriate level of management by March 31, 2017.	3/31/2017	12/31/2017
10	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	25	We recommend the Communications Department to assess the program performance periodically, and report to the appropriate level of management. Update: Pending completion of MOU which is currently being reviewed by County Counsel.	Lack of written agreement for Youth on the Move Program (YOTM for foster youth). Metro Commute Services (MCS) agrees. Although there are Board documentations and writings that assist in governing the YOTM program, the implementation of an MOU will be explored and constructed. MCS periodically produces an active card list and forwards it to the DCFS YOTM program manager for review. We will work with the manager at Department of Children and Family Services (DCFS) to determine a preset calendar schedule. All findings will be shared with the appropriate level of management by March 31, 2017.	3/31/2017	12/31/2017
11	16-COM-P01	8/31/2016	MAS	Special Fares Programs	Communications	26	We recommend the Communications Department to revisit the program purpose and assess the pricing model to generate the optimal program revenue. Update: The B-TAP program is under review by OMB and TAP operations. Once MCS receives an update from OMB regarding the B-TAP pricing, MCS will be implementing new rules and pricing models to ensure optimal program revenue.	Business Transit Access Pass (B-TAP) Program - Revenue neutrality requirement is not satisfied. Metro Commute Services (MCS) agrees. All reduced fare programs are currently under review with the Office of the CEO, DEO of Finance and OMB. The findings from the review/evaluation will determine the policies, procedures and pricing model that will govern the B-TAP program.	3/31/2017	12/31/2017

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
12	14-EDD-P01	8/31/2016	MAS	Real Estate Property	Planning & Development	11	We recommend that Real Estate Management complete the required inspections and document inspection records on file. Update: Master schedule is in development as well as logistics, after action, and resource requirements for successful execution of any inspection Master Schedule.	Under performance of required inspections. Real Estate Management concurs. A change to the policies and procedures for placing records into ECMS by the Property Management Unit has been implemented on May 19, 2016. In addition, Staff will conduct annual inspections of MTA-owned buildings that are leased to others (as required by existing policy) and record those inspections in ECMS by June 30, 2017. Ground leases will be inspected when the subject lease is being reviewed for FMV rental adjustments (every three to five years as required by existing policy).	6/30/2017	12/31/2017
13	14-EDD-P01	8/31/2016	MAS	Real Estate Property	Planning & Development	12	We recommend that Real Estate complete the write off process for delinquent accounts that are deemed uncollectable in accordance with the policy established for writing off uncollectable amounts. Update: Property management is in the process of revising its write off process and procedures as defined in Audit Recommendation 13 and then will begin the process of writing off all customer accounts deemed uncollectable with an expected completion timeline of 12/31/2017.	Revenue collection process can be improved. Real Estate Management agrees and had already started implementing the corrective actions. Real Estate staff has completed the write-off of all accounts that have been deemed to be uncollectable on March 4, 2016. County Counsel has hired outside counsel to assist in resolving issues with Time Warner Telecom and Level 3. Staff will work with County Counsel to address these accounts. Staff will develop policies and procedures for collecting and writing off past due accounts including consultation with County Counsel as required. This will be completed by June 30, 2017. Staff will establish a process for investigating customer's payment that has no invoice reference so proper application of payment received can be made or invoice can be prepared and incorporate into the new Asset Management System.	6/30/2017	12/31/2017
14	14-EDD-P01	8/31/2016	MAS	Real Estate Property	Planning & Development	13	We recommend that Real Estate Management develops policies and procedures for collecting and writing off past due accounts including when consultation with County Counsel is required. Policy should include timeframes to ensure timely actions are taken. Update: Asset Management will revise its dollar thresholds once senior management positions have been filled.	Revenue collection process can be improved. Real Estate Management agrees and had already started implementing the corrective actions. Real Estate staff has completed the write-off of all accounts that have been deemed to be uncollectable on March 4, 2016. County Counsel has hired outside counsel to assist in resolving issues with Time Warner Telecom and Level 3. Staff will work with County Counsel to address these accounts. Staff will develop policies and procedures for collecting and writing off past due accounts including consultation with County Counsel as required. This will be completed by June 30, 2017. Staff will establish a process for investigating customer's payment that has no invoice reference so proper application of payment received can be made or invoice can be prepared and incorporate into the new Asset Management System.	6/30/2017	12/31/2017

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
15	14-EDD-P01	8/31/2016	MAS	Real Estate Property	Planning & Development	14	<p>We recommend that Real Estate Management will establish a process for investigating customer's payment that has no invoice reference so proper application of payments received can be made or invoice can be prepared.</p> <p>Update: Real Estate Management is working with Accounting to resolve the reconciliation of discrepancy between invoices and actual payments made by the customer because Asset Management in Real Estate Department is responsible to prepare billing schedule and Accounting is responsible for generating invoices.</p>	<p>Revenue collection process can be improved. Real Estate Management agrees and had already started implementing the corrective actions. Real Estate staff has completed the write-off of all accounts that have been deemed to be uncollectable on March 4, 2016. County Counsel has hired outside counsel to assist in resolving issues with Time Warner Telecom and Level 3. Staff will work with County Counsel to address these accounts. Staff will develop policies and procedures for collecting and writing off past due accounts including consultation with County Counsel as required. This will be completed by June 30, 2017. Staff will establish a process for investigating customer's payment that has no invoice reference so proper application of payment received can be made or invoice can be prepared and incorporate into the new Asset Management System.</p>	6/30/2017	12/31/2017
16	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	1	<p>We recommend the Chief Operations Officer require Track management to develop an inventory of linear assets and their components that can be the basis of a PMP to accurately forecast maintenance requirements and component replacements.</p> <p>Update: Currently, a software system called OpTram is in the initial stages of being developed that will have an inventory of linear assets, including Wayside track assets. This will be a short term solution for the inventory of assets as the long term plan is to replace the M3 system which should include a requirement for linear assets inventory. ITS plans to begin the procurement process by the end of 2017.</p>	<p>Track Preventative Maintenance Plan is not Proactively Aimed towards Sustainment of the Track Structure. Management agrees with the recommendations and Operations will develop an inventory of linear assets and their components by June 30, 2017. This will be dependent on available resources to purchase or develop an M3 module to ensure that a robust inventory of track assets and their components are used as the basis of a PMP for forecast maintenance requirements and component replacements.</p>	6/30/2017	12/31/2017
17	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	2	<p>We recommend the Chief Operations Officer require Track management to develop a formal risk assessment of potential failures for track components or assets aimed at supplementing the current inspection program with a scheduled maintenance plan for selected components or maintenance practices.</p> <p>Update: Maintenance & Engineering are working towards hiring consultants to pursue this effort.</p>	<p>Track Preventative Maintenance Plan is not Proactively Aimed towards Sustainment of the Track Structure. Management agrees with the recommendations and Operations will develop a formal risk assessment of potential failures for track components or assets to supplement the existing inspection program inclusive of models and equations to support assessment data and analysis.</p>	6/30/2017	12/31/2017
18	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	4	<p>We recommend the Chief Operations Officer require Track management to develop quality standards for track maintenance to proactively maintain Metro's unique track infrastructure.</p> <p>Update: Maintenance & Engineering are working towards hiring consultants to pursue this effort.</p>	<p>Track Preventative Maintenance Plan is not Proactively Aimed towards Sustainment of the Track Structure. Management agrees with the recommendations and Operations will include quality standards in the Track Field Inspection Manual and policies and procedures.</p>	6/30/2017	12/31/2017

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
19	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	6	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to revise inspection forms/reports to include: applicable checklists with inspection criteria for the different types of inspections; condition description, and ranking description of conditions with estimated completion for corrective actions. Update: The M3 Mobile apps for Bus, Rail and Wayside inspections is estimated to be completed in December 2017. However, 6 months are needed to train staff on how to use new M3 module for Wayside track.	Track Inspection Data not used for Analysis and Evaluation of Track Structure Condition. Management agrees with the recommendations and Operations will revise inspection forms/reports to include: applicable checklists with inspection criteria for the different types of inspections; condition description, and ranking description of conditions with estimated completion for corrective actions by June 30, 2017.	6/30/2017	12/31/2017
20	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	7	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to train inspectors to properly complete both inspection and maintenance forms. Update: Closed as of October 2017.	Track Inspection Data not used for Analysis and Evaluation of Track Structure Condition. Management agrees with the recommendations and Operations will train inspectors to properly complete both inspection and maintenance forms by June 30, 2017.	6/30/2017	11/30/2017
21	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	8	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to log all conditions that impact the track structure in the inspection reports, including water damage in the tunnels. Update: This recommendation will potentially close in Quarter 2. Auditor will verify these tasks were included in new contract deliverables.	Track Inspection Data not used for Analysis and Evaluation of Track Structure Condition. Management agrees with the recommendations and Operations will log all conditions that impact the track structure in the inspection reports, including flooding in the tunnels. Coordinate with other units, including Facilities Maintenance, to implement corrective actions for all key inspection conditions impacting the track structure by June 30, 2017.	06/30/2017	11/30/2017
22	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	10	We recommend that while the long-term recommendation is being evaluated, that the Chief Operations Officer require Track management to work with other business units who are responsible to implement any corrective actions that may impact track maintenance and/or track condition. Update: This recommendation will potentially close in Quarter 2. Auditor will verify these tasks were included in new contract deliverables.	Track Inspection Data not used for Analysis and Evaluation of Track Structure Condition. Management agrees with the recommendations and Operations will record all obvious deviations and communicate them to the appropriate units to maintain safe track conditions by June 30, 2017. Further, Operations agrees that track maintenance is a team effort and should be planned in accordance with the frequency of other inspections that occur in the tunnel.	6/30/2017	11/30/2017
23	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	12	We recommend that the Chief Operations Officer, require Track management to provide training for track management, supervisors and/or leads that create work orders in the M3 system. Update: The M3 Mobile apps for Bus, Rail and Wayside inspections is estimated to be completed in December 2017. However, 6 months are needed to train staff on how to use new M3 module for Wayside track.	Track Work Order Process is Incomplete. Management agrees with the recommendations and Operations will provide training on M3 work orders by June 30, 2017.	6/30/2017	6/30/2018
24	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	13	We recommend that the Chief Operations Officer, require Track management to log all open maintenance conditions in M3, as they are identified, to produce meaningful reports. Update: The M3 Mobile apps for Bus, Rail and Wayside inspections is estimated to be completed in December 2017. However, 6 months are needed to train staff on how to use new M3 module for Wayside track.	Track Work Order Process is Incomplete. Management agrees with the recommendations and Operations will log all open maintenance conditions in M3 as they are identified to produce meaningful reports by June 30, 2017.	6/30/2017	6/30/2018

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
25	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	15	We recommend the Chief Operations Officer require Tracks Management to develop departmental policies and procedures specific to Track Maintenance activities and specify the track maintenance standards and/or guidelines that should be followed. Update: An estimate for a consultant to work on developing a track maintenance manual, policies and procedures was completed in March 2017. Operations is looking into hiring consultants to assist in these tasks.	No Metro Specific Policy Developed to Maintain Track Structure. Management agrees with the recommendations and Operations will develop policies and procedures specific to Track Maintenance and incorporate them into the Track Field Inspection Manual reference in recommendation #4, by June 30, 2017.	6/30/2017	12/31/2017
26	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	16	We recommend the Chief Operations Officer require Tracks Management to develop an illustrative field manual based on Metro's own criteria for track maintenance and allocate the necessary budget to do this. Update: An estimate for a consultant to work on developing a track maintenance manual, policies and procedures was completed in March 2017. Operations is looking into hiring consultants to assist in these tasks.	No Metro Specific Policy Developed to Maintain Track Structure. Management agrees with the recommendations and Operations will develop an illustrative field based manual based on Metro's own criteria for track maintenance, which will be incorporated into the Track Field Inspection Manual by June 30, 2017.	6/30/2017	12/31/2017
27	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	20	We recommend that the Chief Operations Officer require Track Management to define training and certification program requirements for each task performed by the unit, including the frequency for each course. Update: Closed as of October 2017.	Track Inspector Training is Incomplete and Needs Updating. Management agrees with the recommendations and Operations will define training and certification program requirements for each task performed by the unit, including the frequency for each course, by June 30, 2017.	6/30/2017	11/30/2017
28	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	21	We recommend that the Chief Operations Officer require Track Management to bring inspectors current on all their training and re-certification requirements including refresher and welding courses. Update: Closed as of October 2017.	Track Inspector Training is Incomplete and Needs Updating. Management agrees with the recommendations and Operations will ensure that training and certification requirements are current for all Inspectors by March 31, 2017. Please note that as of today, November 10, 2016, all Inspector training and recertification requirements are up-to-date except for welding, which is not a requirement for inspectors at this time.	3/31/2017	11/30/2017
29	16-OPS-P01	11/18/2016	MAS	Wayside Systems - Track Maintenance	Operations	22	We recommend that the Chief Operations Officer require Track Management to consider collaborating with ITS to determine whether Operations' existing OTTS system can be modified and used by Rail Instruction or implement and automated Track Training Management system to gain greater visibility of employee training records and data.	Track Inspector Training is Incomplete and Needs Updating. Management agrees with the recommendations and Operations will work with ITS to determine if the OTTS system can be used by Rail instruction to automate Track's training records and data by December 31, 2017.	12/31/2017	
30		12/16/2016	PUC	2016 Triennial Safety Review of the Los Angeles County Metropolitan Transportation Authority	Risk Management/ Operations	1	LACMTA must review and/or revise Emergency Plans at intervals as required by LACMTA procedures. Update: Closed as October 2017.	No dates or hardcopy documentation was available to show plans were reviewed per Metro policy. This item was forwarded to the responsible party, and Corporate Safety is awaiting action.	7/1/2017	10/1/2017

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
31		12/16/2016	PUC	2016 Triennial Safety Review of the Los Angeles County Metropolitan Transportation Authority	Risk Management/ Operations	2	LACMTA Management should properly complete and fill out the Ride Check Forms with accurate and correct information. Update: Closed as of October 2017.	Ride checks were improperly filled out. We verified July/August 2016 ride check forms, and about 25 out of 50 forms were improperly filled out (i.e. missing location on/off, Operator/Student name, Badge #). Corporate Safety met with Operations Staff and advised staff to issue a memorandum to all affected staff stating all forms should be completely filled out. After memorandum has been issued, Corporate Safety and CPUC will field-verify three months to ensure practice is being followed.	7/15/2017	9/15/2017
32		12/16/2016	PUC	2016 Triennial Safety Review of the Los Angeles County Metropolitan Transportation Authority	Risk Management/ Operations	8	LACMTA should keep hard copies of maintenance records. Update: Closed as of October 2017.	Numerous hard copies of maintenance records missing but was shown as closed in LACMTA M3 database. Corporate Safety and the CPUC will verify the preventative maintenance inspection forms identified as part of the audit are available for review.	7/11/2017	9/15/2017
33		12/16/2016	PUC	2016 Triennial Safety Review of the Los Angeles County Metropolitan Transportation Authority	Risk Management/ Operations	9	LACMTA should update the maintenance plans to reflect the systems equipment and conditions. Update: Closed as of October 2017.	Maintenance plan needs to be updated according to the equipment used for each line. Traction Power management to perform a review of the Maintenance Plan to ensure plan reflects the system equipment, and conditions.	9/1/2017	9/15/2017
34		12/16/2016	PUC	2016 Triennial Safety Review of the Los Angeles County Metropolitan Transportation Authority	Risk Management/ Operations	10	LACMTA maintenance personnel should completely fill out checklists before closing out work order. Update: Closed as of October 2017.	There were several versions of the checklist found for the same maintenance item. Checklists were not completed before the work ticket was closed. Corporate Safety and the CPUC will verify the preventative maintenance inspection forms identified as part of the audit have been properly completed.	7/11/2017	9/15/2017
35	16-ITS-P02	6/30/2017	MAS	Performance Audit of IT Asset Management	Information Technology Services	2	We recommend that the ITS Department Management complete the update of the Standards Compliance and Asset Management (IT 7) Policy to clarify the roles and responsibilities of the ITS department and other cost centers in tracking and managing IT assets. The policy should include the types of IT assets that need to be maintained in IT asset inventory records. The policy revision should also include the extent of the periodic physical inventory/reconciliation based on the risk associated with the type of IT assets and the amount of investment on various types of IT assets.	IT Asset List is Inaccurate and status of the asset is not updated. Management agrees with this recommendation. ITS will draft updated language for IT-7 and circulate among the departments most likely to be impacted by these changes to solicit their feedback. A final draft will be submitted for official policy review.	12/31/2017	
36	16-ITS-P02	6/30/2017	MAS	Performance Audit of IT Asset Management	Information Technology Services	3	We recommend that the ITS Department Management establish a process to maintain a complete and accurate IT asset list by improving the monitoring/tracking for IT asset acquisition, issuance, retirement, disposal, etc.	IT Asset List is Inaccurate and status of the asset is not updated. Management agrees with this recommendation. ITS will enhance its current process to address improved monitoring/ tracking for IT asset acquisition, issuance, retirement and disposal.	10/31/2017	

No.	Report Number	Report Date	Audit Entity	Title	Exec Area	Rec No	Recommendation	Finding/Corrective Action	Original Completion Date	Extended Completion Date
37	16-ITS-P02	6/30/2017	MAS	Performance Audit of IT Asset Management	Information Technology Services	4	We recommend that the ITS Department Management oversee the periodic physical inventory (at least annually) of IT assets that are excluded from the physical inventory/ reconciliation for federally funded assets (below \$5000 unit price), but had been determined material in amount due to high frequency/volume purchases. Resolve any discrepancies to ensure the accuracy and completeness of IT asset inventory records.	IT Asset List is Inaccurate and status of the asset is not updated. Management agrees with the concept of this recommendation. Due to the relatively large numbers of assets to be tracked (excess of 10,000) and the level of resources required an annual physical inventory of each asset is not practical. Alternatively, ITS will use its tools to electronically discover the assets to be tracked and will verify physical location of 10% of the asset base using a random sampling technique. Assets not discovered electronically will be verified via a physical audit. ITS will develop a schedule by August 31, 2017.	3/31/2018	

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1	15-AUD-02	1/12/2015	OIG	Review of Metro Mandatory Training	Employee & Labor Relations	1	Consider ways to proactively set up a system to identify all employees who require mandatory training, and notify the employees to sign up for the required classes.	Employees Required to Attend Mandatory Training Classes are not Identified. Training & Development will work with departments that require mandatory training to ensure that our existing system reflects all mandatory training required for each job class.	3/31/2017	8/31/2017
2	15-AUD-02	1/12/2015	OIG	Review of Metro Mandatory Training	Employee & Labor Relations	2	Update the SharePoint database by: a. Reviewing the mandatory training classes listed in the SharePoint database to ensure that all mandatory training classes are annotated as "mandatory" in the database, and b. Periodic reviewing the database to ensure that the information listed is current and all mandatory training classes are annotated.	All Mandatory Training Classes are not Identified in the Database. Training & Development will connect monthly with other relevant departments to ensure maintenance of the most current and up-to-date database.	3/31/2017	12/31/2017
3	15-AUD-02	1/12/2015	OIG	Review of Metro Mandatory Training	Employee & Labor Relations	3	Update the Metro Policy on Training, HR 8-2, in accordance with General Management Policy GEN 5. Update: Revised Policy is complete and awaiting comments and approval from other Strategic Business Units.	Metro Training Policy Needs Updating. Training & Development has reviewed this policy and will make recommendations for revision, particularly with regard to identifying mechanisms to more tightly monitor and pursue mandatory training compliance.	8/31/2016	8/31/2017
4	16-AUD-03	1/4/2016	OIG	Metro Policing and Security Workload and Staffing Analysis	Systems, Security & Law Enforcement	8	The Metro System Safety and Law Enforcement Division should consider developing or acquiring and implementing a resource oversight and monitoring application for use on the smartphones currently used by Metro safety and security personnel. Metro should also consider identifying specific reporting requirements as input into the development of the new Computer Aided Dispatch (CAD) system by the LASD.	We acquired GPS enabled mobile phone validators (MPV) and will install a new 'transit watch officer app' that enables Metro to capture location, call dispatch and disposition in real-time. The new MPV's will be issued when the new policing contract goes into effect. We also incorporated agency computer aided dispatched requirements into the RFP.	1/31/2017	9/31/2017
5	16-AUD-01		OIG	Capital Project Management Best Practices Study	Program Management	38 Total	The 109 recommendations included in this report address findings in low bid contracting, project delivery method selection process and criteria, contract administration, obtaining necessary approvals from cities to avoid delays, etc. Update: As of September 30, 2017, 71 of 109 recommendations have been completed.			

This total does not include recommendations included in the Audit of Westside Purple Line Extension Section 2- Modification No. 52, and Review of Metro Safety Culture and Rail Operational Safety, as the management response and/or estimated completion dates are still pending. However, Operations has hired consultants to assist in addressing the most critical elements of the Review of Metro Safety Culture and Rail Operational Safety.